

*Administration of Barack Obama, 2016*

**Letter to Congressional Leaders Transmitting an Alternative Pay Plan for Civilian Federal Employees**

*August 31, 2016*

*Dear Mr. Speaker: (Dear Mr. President:)*

I am transmitting an alternative plan for pay increases for civilian Federal employees covered by the General Schedule and certain other pay systems in January 2017.

Title 5, United States Code, authorizes me to implement alternative pay plans for pay increases for civilian Federal employees covered by the General Schedule and certain other pay systems if, because of "national emergency or serious economic conditions affecting the general welfare," I view the adjustments that would otherwise take effect as inappropriate.

Accordingly, I have determined that it is appropriate to exercise my statutory alternative plan authority under 5 U.S.C. 5303(b) and 5304a to set alternative January 2017 across-the-board and locality pay adjustments. Specifically, I have determined that for 2017, across-the-board pay increases will be 1.0 percent. Also, I will make a decision by November 30, 2016, regarding an alternative plan for locality payments under 5 U.S.C. 5304a. The alternative plan for locality payments will be limited so that the total combined cost of the 1.0 percent across-the-board base pay increase and the varying locality pay increases will be 1.6 percent of basic payroll, consistent with the assumption in my 2017 Budget. These decisions will not materially affect our ability to attract and retain a well-qualified Federal workforce.

The adjustments described above shall take effect on the first applicable pay period beginning on or after January 1, 2017.

Sincerely,

BARACK OBAMA

NOTE: Identical letters were sent to Paul D. Ryan, Speaker of the House of Representatives, and Joseph R. Biden, Jr., President of the Senate.

*Categories:* Communications to Congress : Civilian Federal employees, alternate pay plan, letter.

*Subjects:* Government organization and employees : Civilian Federal employees, alternate pay plan.

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